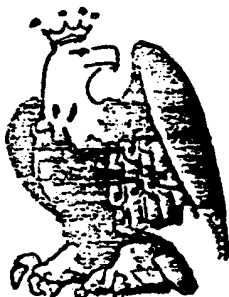


ARTICLE APPEARED
ON PAGE 35-38

EXECUTIVE INTELLIGENCE REVIEW
16 - 22 January 1979



Mail fraud, Mac and MI-6

The U.S. Postal Service is in worse shape

In 1974, officials of the U.S. Labor Party began to notice that a significant percentage of mail arriving to the party's New York City headquarters was already opened — and often empty. A complaint was filed with the Postal Service, which reported that mail was accidentally being diverted to an adjacent post office box, at the giant New York City General Post Office, one which belonged to the giant Macy's department store. The Service promised to carefully instruct all employees to make sure that mail for the USLP was delivered to the proper box.

There the matter rested until 1977, when the party again began to observe a pattern of opened and empty mail. Officials began keeping a log of such instances, and the investigation was reopened. This time it proceeded to the offices of Chemical Bank, which operates a mail service on behalf of Macy's. Chemical reported in writing to USLP investigators that USLP mail was arriving to the Macy's box already opened by the time it reached the bank.

Last year, the USLP conducted test mailings to its New York City post office box. One test found that 6 percent of test letters mailed in New York City never reached their intended destination. Last month, the USLP made a careful record of mail sent to its headquarters from party officials and supporters around the country. Of letters known to have been mailed, fully 25 percent never reached the USLP. What is more, mail which is known to be missing contained some \$4,600 in checks which never reached the party. Based on that and other figures, the USLP estimates that hundreds of thousands in contributions and other funds have disappeared in the mails in the past four and one-half years.

Christmas snafus? Another horror story of Postal Service inefficiency and bungling? The USLP thinks not. A months-long investigation has uncovered a pattern of conscious and deliberate intelligence "dirty-tricks" and black operations being conducted by top officials in the Postal Service. Centered around trusted Kennedy family associates and British agents and agents-of-influence in and outside the government, the British takeover focuses on the spring 1970 law that transformed the United States Post Office — an institution conceived by Benjamin Franklin as an essential component of U.S. government

efforts to aid the
dustry — into the

The Postal Service
clusion may seem
it was the Nixon
pushed the post
But it was the
economist Milton

through British economic circles, and the old prohibition-era bootlegging networks with which both Friedman and the Kennedys are associated — who inspired Nixon with the Postal Service debacle.

As the following report shows, the U.S. Postal Service is through-and-through a Kennedy/British intelligence operation, run at the top by high-level National Security Agency and other intelligence operatives, and extending at bottom to nests of Maoist terrorists who are employed in key positions at important Postal Service facilities.

Can anyone in the United States rely on the Postal Service? Besides fraud operations against the USLP, the Kennedy role in the Postal Service is expected to loom large in the 1980 Presidential campaign, when the Republican Party expects to base its fundraising effort — in a campaign against a possible candidate Ted Kennedy — on a direct-mail effort.

PHASE I: THE COVERT OPERATION

In 1969, William J. Cotter became Chief Postal Inspector, the head of the oldest law enforcement agency in the United States. Postal inspectors are usually chosen from the ranks of postal employees, given extensive training in detecting criminal mail activities. But Mr. Cotter was different.

Cotter is a career intelligence agent. His specialty is mail surveillance — opening, tampering, and monitoring correspondence in violation of the U.S. Constitution's guarantee of privacy of the mails. Since the 1950s, he has worked as the CIA's director of "mail cover" operations in New York, operations run by the agency's counterintelligence chief, James Jesus Angleton.

CONTINUED